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*Proposed Counsel for Debtor*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re:

GHURKA BRANDS HOLDINGS LLC,  
-----X  
Debtor.

Chapter 11

Case No. 18-

**AFFIDAVIT PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2**

STATE OF NEW YORK )  
                          )ss.:  
COUNTY OF NEW YORK )

GLENN C. POLLACK, being duly sworn deposes and says:

1. I am the Manager of GB Manager LLC (“GB Manager”). GB Manager is the Manager of Ghurka Brands Holdings LLC (the “Debtor”). I am fully familiar with the Debtor’s business, financial information, and the facts set forth herein. I have been duly authorized to submit this affidavit which is hereby submitted in accordance with Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York.

2. The Debtor is a holding company, being the sole member of the Sasco Hill Brands LLC (“Sasco”). Ghurka Brands also owns 100% of the stock of Ursa Minor B.V. (“Ursa Minor”), which owns certain intellectual property utilized by Sasco in the production and sale of its products. Sasco, under the name “Ghurka”, designs and manufactures handmade leather

briefcases, bags, gifts and travel products, and accessories. Sasco sells its products through its proprietary online website and through a select number of wholesale retailers.

3. The Debtor received financing through Gordon Brothers Brands, LLC (“GBB”) pursuant to a certain letter agreement dated August 24, 2017 (the “Letter Agreement”) and related documents (collectively, the “Loan Documents”). Certain non-payment related covenant defaults occurred under the Loan Documents. Pursuant to said defaults, GBB immediately seized the Debtor’s bank accounts and refused to allow the Debtor to utilize said funds without its prior consent for each payment. Based on the foregoing, the Debtor initially consented to an Article 9 sale of its assets in satisfaction of its obligations to GBB and its creditors. However, it became apparent that the Article 9 sale would not result in a recovery sufficient to satisfy the Debtor’s obligations to GBB and its remaining creditors and accordingly, it was necessary for the Debtor to file the instant Chapter 11 bankruptcy case to preserve its assets.

4. No prior case has been commenced by or against the Debtor under Chapter 7 or 11 of the Bankruptcy Code.

5. Upon information and belief, as of the date hereof, there has not been a formation of a committee of unsecured creditors.

6. A list of the Debtor’s twenty (20) largest unsecured creditors is attached hereto as **Schedule “1”**.

7. Attached hereto as **Schedule “2”** is a list of the Debtor’s five largest secured creditors including the amounts of the claim, a brief description, and an estimate of the value securing the claim, and indication of whether or not the claim or lien is disputed.

8. A summary of the Debtor’s assets and liabilities as of April 30, 2018 is attached hereto as **Schedule “3”**.

9. The Debtor has no securities that are publicly held, the Debtor is a privately held corporation.

10. None of the Debtor's property is currently in the possession or custody of any custodian, public officer, mortgagee, pledge, assignee of rents, or secured creditor, or agent for any such entity.

11. The Debtor does not own any real property.

12. The Debtor does not have any leases.

13. The Debtor has no office equipment and/or computer equipment. The Debtor has no inventory.

14. The Debtor's books and records are located at 600 Superior Avenue East, Suite 1800, Cleveland, Ohio 44114.

15. As set forth above, Ghurka Brands owns 100% of the stock of Ursa Minor, a Dutch company.

16. Attached hereto as **Schedule “4”** is a list of all actions or proceedings pending against the Debtor or its property with a list of judgments, if any.

17. The following individuals comprise the Debtor's existing senior management: Glenn Pollack – Manager; Steve Latkovic - Manager.

18. It is estimated that the amount of bi-weekly payroll to employees (exclusive of officers, directors, stockholders, and partners) for the thirty (30) day period following the filing of the Chapter 11 petition is \$0.00.

19. The amount paid and proposed to be paid for services for the thirty (30) day period following the filing of the Chapter 11 petition to any officers, directors, stockholders, or business consultants is \$0.00.

20. The Debtor will not be utilizing any cash during the next thirty (30) day period.
21. Included with the filing of this petition is a proposed case conference order.

**GHURKA BRANDS HOLDINGS LLC**

By: GB Manager LLC  
Its: Manager

By: /a/ Glenn C. Pollack  
Glenn C. Pollack, Manager

Sworn to before me this  
12th day of June, 2018

/s/ Teresa Sadutto-Carley  
NOTARY PUBLIC, STATE OF NEW YORK  
No. 02SA6358210  
Qualified in New York County  
Commission Expires May 8, 2021

## **SCHEDULE 1**

Fill in this information to identify the case:

Debtor name GHURKA BRANDS HOLDINGS LLC

United States Bankruptcy Court for the: SOUTHERN DISTRICT OF NEW YORK

Case number (if known):

 Check if this is an amended filing

## Official Form 204

## Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
-NONE-						

## **SCHEDULE 2**

### **LIST OF CREDITORS HOLDING 5 LARGEST SECURED CLAIMS**

**Gordon Brothers Brands, LLC** \$3,000,000.00  
**800 Boylston Street, 27<sup>th</sup> Fl**  
**Boston, MA 02199** (Disputed)

**Green Bull Bags Jr. LLC** \$715,300.00  
**c/o Candlewood Partners**  
**600 Superior Avenue East, Suite 1800**  
**Cleveland, OH 44114**  
**Attn: Stephen J. Latkovic**

**GB Lender LLC** \$2,100,000.00  
**c/o Candlewood Partners**  
**600 Superior Avenue East, Suite 1800**  
**Cleveland, OH 44114**  
**Attn: Stephen J. Latkovic**

## **SCHEDULE 3**

**Ghurka Brand Holdings LLC**  
**Balance Sheet**  
**For the Period ended April 30, 2018**

Description	4/30/2018
Checking	6,829
Petty Cash	
<b>Cash</b>	<b>6,829</b>
Accounts Receivable	-
Finished goods inventory	-
Non-finished goods inventory	-
<b>Total Current Assets</b>	<b>6,829</b>
Investments	2,650,000
<b>Capital Assets</b>	<b>2,650,000</b>
Security Deposits	-
Deferred Interest	-
Deferred Financing Costs	-
PrePaid Expense	-
<b>Other Assets</b>	<b>-</b>
<b>Total Assets</b>	<b>2,656,829</b>
Accounts Payable	-
Accrued Other	-
Accrued Interest	-
Short Term Secured Debt	2,400,000
Last-Out Term Loan	700,000
Bridge Note	1,565,300
<b>Total Current Liabilities</b>	<b>4,665,300</b>
32000 Partners Capital	86,776
Member Equity	(2,095,247)
Net Income	
<b>Total Equity</b>	<b>(2,008,471)</b>
<b>Total Liabilities &amp; Equity</b>	<b>2,656,829</b>

## **SCHEDEULE 4**

### **Pending Litigation**

**Natalie Smith  
433 West 21<sup>st</sup> Street, Ap. 3B  
New York, NY 10011  
EEOC Claim**